GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2553
ANSWERED ON:18.03.2005
FICCI` S PROPOSAL TO ENACT LEGISLATION FOR ELIMINATION OF STATES REVENUE DEFICIT
Adhalrao Patil Shri Shivaji

Will the Minister of FINANCE be pleased to state:

(a) whether the FICCI has sought enactment of legislation on the wings of the Fiscal Responsibility and Budget Management Act to eliminate the States' revenue deficit;

(b) if so, the reaction of Central Government thereto; and

(c) the time by which the final decision is likely to be taken?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM):

(a) to (c): Enactment of legislation to eliminate States' revenue deficit is to be decided by the respective State Governments and Legislatures, and not by the Central Government. However, the Central Government is supportive of such proposals.